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SUBJECT: OSCE/PERMANENT COUNCIL: RESPONSE TO REPORT OF
COORDINATOR OF ECONOMIC AND ENVIRONMENTAL ACTIVITIES

11. Post is authorized to present the following statement at
the March 12 Permanent Council meeting in Vienna.

Begin text:

Thank you, Mr. Chairman.

Mr. Svilanovic, thank you for your report and the 2009 Action Plan. The Action Plan reminds us of the breadth of issues touched on by the Second Dimension, and of the challenges the OSCE faces in balancing the desires of 56 states as to what the OSCE should be doing in this Dimension. The four priorities you mention are of concern to all countries in the OSCE region. Recent events, in particular the winter gas crisis in Europe, the global economic crisis, and persistent concerns over approaches to environmental challenges, highlight the importance of the Second Dimension, and present us with an opportunity to raise the level and visibility of the OSCE's contributions to Economic and Environmental Security.

A major issue that the OSCE cannot afford to ignore is the implications of the global financial crisis for security in our region. Stagnant or shrinking economies, failing banks, rising unemployment, reduced government revenues, reverse migration, dwindling remittances, and other effects increase the risk of instability, especially in more fragile countries. We need to act in concert to stabilize markets and strengthen regulatory frameworks, uphold commitments to keep markets open, and provide assistance to countries that face difficult financial circumstances. International consultation and coordination are essential to any effective resolution of this crisis. The OSCE can play a facilitative role, focusing on the implications for stability and security, serving as a trip-wire for any destabilizing trends, and discussing steps we might take together to mitigate those implications.

Energy Security is a second issue to which we should devote more attention in the OSCE, both now and in the long term. The availability of energy supplies and the reliability of distribution networks have profound implications for our economy and for our security. We believe that the OSCE, given its breadth of geographic responsibility and focus on multi-dimensional aspects of security, can play a valuable role in establishing common understandings and principles. This should be done in line with its existing mandates and in collaboration with the work of other international organizations and agreements to be sure. We look forward to a vigorous debate on how this Organization can enhance Energy Security throughout the OSCE region.

Talking, however, is not a goal in and of itself. We should also continue to seek tangible outcomes. Nor should we abandon the traditional work of the OSCE that we believe can yield solid benefits, such as promotion of the rule of law and good governance, the work of our Missions to help put into practice rules and regulations that improve the business and investment climate and aid in the fight against corruption, organized crime, and money laundering. We

applaud the Activity Plan's mention of this as a theme running throughout OSCE activities in the Second Dimension.

Mr. Svilanovic, thank you again for your report and for your contributions thus far to the OSCE's activities throughout the region. Your fast start in the position is a credit to your vision and the diligence and dedication of your staff. The United States reiterates its support for the work of the Office of Coordinator for Economic and Environmental Activities, and we look forward to a productive year of collaboration.

Thank you, Mr. Chairman.

End text.
CLINTON